

Tue, October 18, 2016

Vietnam Daily Review

Liquidity continued to weaken

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 17/10/2016		•	
Week 17/10-21/10/2016		•	
Month 10/2016			•

Highlight

The market has continued negative in most of the morning session, losing the support level of 680 points, the lowest value at the level of 678.13 points, however, the recovery has turned and maintained in afternoon trading. The recovery was due to the positive impact of the VNM, BVH, and MWG in the second half of the session. In contrast, large-cap stocks such as GAS, ROS have been affected by the decline. Most market indices have rebounded, and positive performance in the session also returned some key industries such as Steel sector, Food sector, Technology sector, Oil and Gas sector. Evolution has also maintained at Construction materials sector and energy sector. Market liquidity has weakened; particularly in trading volume also fell by 25% compared to trading volume last week. Although the market has kept the support level of 680 at the end of the session, reaching 682.02 points, up 1.07 points, but the market does not show that the reliability of this support, as without the support of market liquidity.

Recommendation

The support level of 680 points might not be sustainable for the market over the coming days, this can not eliminate the possibility of further market correction in the level of support the 670-675 points, while market liquidity is showing signs of decline. Resistance at 690 points will still be a limited market where cash flows are less active. Investors should be cautious in entering the market with the possibility of the general market risk, as most of the large-cap stocks that affect the market index is still in the correction process.

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VN-INDEX **682.02**
Value: 1598.96 bil **1.07 (0.16%)**
Foreigners (net): -VND 44.02 bil

HNX-INDEX **85.00**
Value: 435.21 bil **0.04 (0.05%)**
Foreigners (net): -VND 3.2 bil

UPCOM-INDEX **57.52**
Value 98.44 bil **0.26 (0.45%)**
Foreigners (net): -VND 2.51 bil

Macro indicators

	Value	% Chg
Crude oil	50.3	0.8%
Gold	1,262	0.5%
USDVND	22,310	0.0%
EURVND	24,605	0.2%
JPYVND	21,442	-0.2%
1-month Interbank rate	0.0%	-
5yr VN Treasury Yield	5.0%	-

Source: Bloomberg, BSC Research

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This report must be read with the Disclosure, located at the end of this report.

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Market highlights

The market has continued negative in most of the morning session, losing the support level of 680 points, the lowest value at the level of 678.13 points, however, the recovery has turned and maintained in afternoon trading.

The recovery was due to the positive impact of the VNM, BVH, and MWG in the second half of the session.

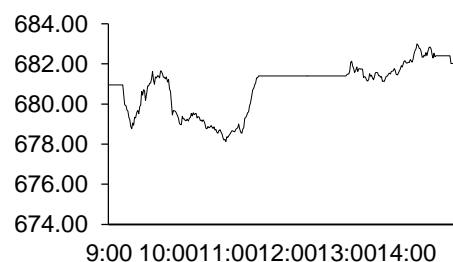
In contrast, large-cap stocks such as GAS, ROS have been affected by the decline. Most market indices have rebounded, and positive performance in the session also returned some key industries such as Steel sector, Food sector, Technology sector, Oil and Gas sector. Evolution has also maintained at Construction materials sector and energy sector.

Market liquidity has weakened; particularly in trading volume also fell by 25% compared to trading volume last week.

Although the market has kept the support level of 680 at the end of the session, reaching 682.02 points, up 1.07 points, but the market does not show that the reliability of this support, as without the support of market liquidity.

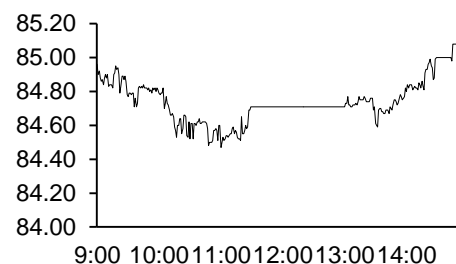
11/20 sectors had positive performance today. However, market size was less positive, in which the number of losers is slightly higher than the number of gainers on the market, 209 symbols of gainers while 214 symbols of decliners on both floors.

Foreigners were net sellers by value on two floors.



Source: Bloomberg, BSC Research

Exhibit 2



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
FLC	20.56	6	-4.15
VHG	5.95	3.7	3.64
HHS	5.73	6.5	-3.7
HPG	4.46	40.7	2.26
HAG	4.37	5.39	-4.26

Source: Bloomberg, BSC Research

Recommendations

The market has lost the support of short-term average ropes MA (15) in the first trading session of the week; however, the market index retains the support level of 680 points today. Market trend is sideways in the 680-690 price points for 3 weeks and have not confirmed a clear trend since the liquidity is weakened.

The technical indicators are almost no positive change today, when the MACD is still declining and is below the indicator slowly. Indicator of market power RSI becomes weakened and indicator of cash flows MFI is still sustained declining trend since the beginning of the month.

The support level of 680 points might not be sustainable for the market over the coming days, this can not eliminate the possibility of further market correction in the level of support the 670-675 points, while market liquidity is showing signs of decline. Resistance at 690 points will still be a limited market where cash flows are less active.

Investors should be cautious in entering the market with the possibility of the general market risk, as most of the large-cap stocks that affect the market index is still in the correction process.

Stock recommendations

Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	DRC	26/09/2016	40.5	38.8	-4.1%	38.0	44.0
2	VCB	26/09/2016	37.4	36.5	-2.4%	35.0	45.0
3	CTI	27/5/2016	24.3	29.3	20.6%	22.6	31.8
4	REE	1/8/2016	20.3	21.0	3.4%	19.5	23.5
5	GMD	26/09/2016	26.3	27.6	4.9%	24.2	28.5
Average					4.5%		

Source: BSC Research

Day 12/10/2016

CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	MBB	27/4/2015	13.8	15.0	8.7%	12.8	16.6
2	GMD	4/7/2015	26.6	27.6	3.8%	24.7	31.9
3	DHC	11/07/2016	33.9	39.8	17.4%	31.5	40.7
4	CTI	25/07/2016	26.9	29.3	8.9%	25.0	32.3
5	HUT	03/10/2016	13.2	12.9	-2.3%	12.3	15.8
6	DRC	05/09/2016	39.3	38.8	-1.3%	36.5	47.2
Average					5.9%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
VNM	23/5/1900	1.27	1.35	877320
BVH	8/3/1900	2.26	0.53	136380
MWG	29/5/1900	4.68	0.51	268420
HPG	9/2/1900	2.26	0.39	3.94MLN
Ticker	Price	% Chg	Index pt	Volume
GAS	8/3/1900	-1.44	-0.99	128270
ROS	24/2/1900	-3.14	-0.40	871330
HT1	23/1/1900	-6.27	-0.26	612230
BID	17/1/1900	-0.58	-0.18	251130
CTD	5/7/1900	-2.55	-0.12	110960

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
VPS	26/1/1900	6.97	0.02	23450
STG	23/1/1900	6.96	0.02	129710
VCF	6/6/1900	6.96	0.14	4550
POM	8/1/1900	6.96	0.05	1130
VRC	10/1/1900	6.91	0.01	15000

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
VNH	0/1/1900	-10.00	0.00	9870
BTT	4/2/1900	-6.32	-0.01	13980
D2D	30/1/1900	-5.26	-0.01	2760
VPS	19/1/1900	-4.81	-0.01	50
VOS	2/1/1900	-4.55	-0.01	10470

Source: Bloomberg, BSC Research

Top 5 leaders on HNX

Ticker	Price	% Chg	Index pt	Volume
PVR	3/1/1900	9.68	0.07	100
KKC	14/1/1900	5.84	0.07	5800
AAA	24/1/1900	7.11	0.04	1.12MLN
VBC	10/3/1900	5.22	0.04	2400
Ticker	Price	% Chg	Index pt	Volume
SGO	3/1/1900	-2.56	-0.05	206800
TV2	1/4/1900	-0.97	-0.02	1700
NTP	27/2/1900	-0.17	-0.02	6100
PVG	7/1/1900	-1.28	-0.01	26600
L14	19/3/1900	-4.70	-0.01	800

Top 5 gainers on the HNX

Ticker	Price	% Chg	Index pt	Volume
SIC	12/1/1900	9.91	0.00	2500
TV3	23/2/1900	9.90	0.02	200
PEN	9/1/1900	9.76	0.02	2900
PVR	3/1/1900	9.68	0.07	100
TFC	22/1/1900	9.66	0.01	23900

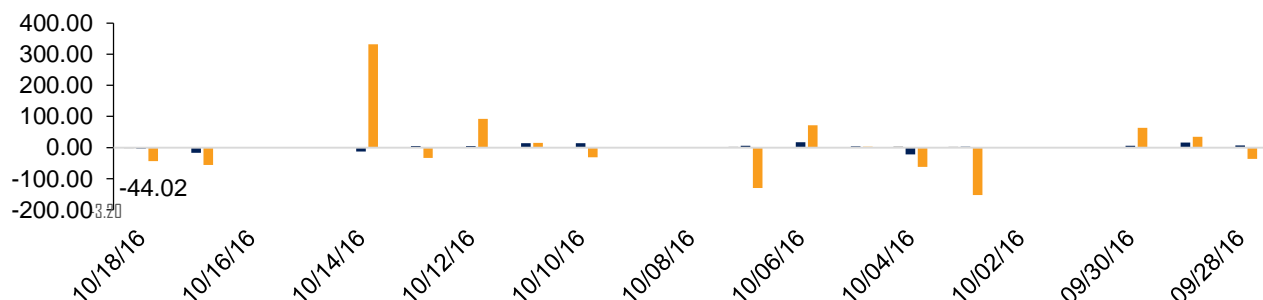
Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
GMX	21/1/1900	-9.87	-0.01	3200
ONE	9/1/1900	-9.90	0.00	31100
DID	4/1/1900	-9.80	0.00	10100
NHA	9/1/1900	-9.71	-0.01	100
KMT	5/1/1900	-9.38	0.00	500

Exhibit 3

Foreign transaction

■ HSX ■ HNX ■ UPCOM



Source: HSX, HNX, BSC Research

Disclosure

The information, statements, forecasts and projections contained herein, including any expression of opinion, are based upon sources believed to be reliable but their accuracy completeness or correctness are not guaranteed. Expressions of opinion herein were arrived at after due and careful consideration and they were based upon the best information then known to us, and in our opinion are fair and reasonable in the circumstances prevailing at the time. Expressions of opinion contained herein are subject to change without notice. This document is not, and should not be construed as, an offer or the solicitation of an offer to buy or sell any securities. BSC and other companies in the BSC and/or their officers, directors and employees may have positions and may affect transactions in securities of companies mentioned herein and may also perform or seek to perform investment banking services for these companies. This document is for private circulation only and is not for publication in the press or elsewhere. BSC accepts no liability whatsoever for any direct or consequential loss arising from any use of this or its content. The use of any information, statements forecasts and projections contained herein shall be at the sole discretion and risk of the user. No part of this material may be (i) copied, photocopied or duplicated in any form by any mean or (ii) redistributed without the prior written consent of BIDV Securities Company (BSC).

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